

SIDELETTER AGREEMENT AMENDING THE MEMORANDUM OF
UNDERSTANDING
BETWEEN SERVICE EMPLOYEES INTERNATIONAL UNION (SEIU), LOCAL 521
AND THE CITY OF MOUNTAIN VIEW
JULY 1, 2006-JUNE 30, 2009

SEIU, Local 521 and the City of Mountain View have negotiated a two year extension (expiring on June 30, 2011) of the existing contract to expire on June 30, 2009 and the parties do agree to adopt this side letter agreement to the current MOU as follows:

- SALARY

Salary-Year 1 (Fiscal Year 2009-10)

Effective the first pay period ending in July 2009, the City shall increase the salary ranges for classifications in the bargaining unit by two percent (2.0%). All increases shall be computed to the nearest one-tenth of a percent (0.1%) and rounded to the nearest penny in accordance with procedures established by the Employee Services Director and Finance and Administrative Services Director or their designees.

Salary-Year 2 (Fiscal Year 2010-11)

Effective the first pay period ending in July 2010, the City shall increase the salary ranges for classifications in the bargaining unit by one and two-tenths percent (1.2%). All increases shall be computed to the nearest one-tenth of a percent (0.1%) and rounded to the nearest penny in accordance with procedures established by the Employee Services Director and Finance and Administrative Services Director or their designees.

Revenue Sharing Provision 2009-10 and 2010-11

This provision provides for revenue sharing with SEIU members if total audited revenues of the General Operating Fund for Fiscal Years 2009-10 and 2010-11 exceed adopted budget revenues by \$1,000,000 or more, excluding the category of interfund revenues and transfers. SEIU represented employees employed on the last day of the respective payroll Fiscal Years will be paid an amount equal to 1% of their base annual salary as of the last pay period in the respective payroll Fiscal Years. The payment will be a lump sum payment made in the first payroll period in October. In the event that the total audited revenues exceed budgeted revenues by \$3.5 million the amount to be paid in one lump sum shall be calculated at 3% of base annual salary.

This language reflects the current Fiscal Year 2009-10 City of Mountain View budget methodology used in developing the Adopted Fiscal Year 2009-10 budget. If the City changes the main components of the budgeting system, SEIU will be notified.

Audited revenue is subject to review by a SEIU analyst and City staff. Any discrepancies will be identified by SEIU and submitted in a written report to the Employee Services Director and Finance and Administrative Services Director. Discrepancies identified by the SEIU Analyst will be reviewed by the Independent City Auditor and shall be revised as agreed to by the City and SEIU.

State Withholding of City Revenues:

In the event the State withholds revenues and the City treats it as a "one-time withholding," that the City will backfill with reserves, (for example, staff will recommend to the City Council to treat Prop 1A property tax in this manner), the employees will receive the Revenue Sharing lump sum if the threshold is met for that fiscal year. For all other revenue sources that are withheld by the State, the City will pay the Revenue Sharing lump sum in the year that the City is repaid. In the event that the State pays the City back in payments, once the sufficient amount to meet the Revenue Sharing Tier lump sum is paid back to the City, the lump sum will be paid to the employees. If the State does not pay the money back to the City within three years, the City and SEIU, Local 521 will meet and confer over the time period for the revenue sharing lump sum payment. If the State never pays the withheld revenue back to the City, the employees will not be paid the Revenue Sharing lump sum for that fiscal year. The City shall inform SEIU, Local 521 of any and all State takeaways and payments within 15 days of the State action.

In all instances in which the employees will receive the Revenue Sharing lump payment, the City will pay the lump sum to the employees who were employees on the last day of the payroll fiscal year monies are withheld. Payment shall be made within two (2) pay periods after the funds are restored to the City.

- RETIREES' HEALTH INSURANCE BENEFITS

The City and SEIU agree to meet and discuss the possibility of reviewing the option of adding a Defined Contribution option to the Retirees Health Insurance Program for newly hired employees after a date specific. The parties will discuss the current EAGLES retirees' health program and the possibility that SEIU agree to adopt a similar or revised version of the Defined Contribution option.

If adopted, the parties will discuss a reduction in the SEIU members' PERS pension contribution. The SEIU member PERS pension cost sharing reduction will be retroactive to the first pay period ending in July 2009. The parties will begin to meet immediately after the settlement of the agreement and the work group will expire October 1, 2009, unless the parties mutually agree that it would be beneficial to extend this date.

- VACATION CASH OUT

Effective July 2009, the vacation cash out provision will be increased from forty (40) hours to eighty (80) hours. For those employees electing to cash out over forty (40) hours, there is a requirement that an employee must have a minimum balance of eighty (80) hours accrued as of yearly date in December specified by Payroll and have taken a minimum of eighty (80) hours of vacation in the prior 12 months.

Employees will have the option of receiving cash or depositing vacation cash out directly into deferred compensation.

- PAID DAYS OFF (2009-10 and 2010-11)

Each employee represented by SEIU will receive three (3) paid days off (8 hours per day) (prorated for permanent part-time employees) on December 29, 30 and 31, 2009 and December 28, 29 and 30, 2010. Those members who are not able to take these specific days off because they are assigned to work will be allowed to take these days some other time during the same Fiscal Year. These days will not be carried over beyond the payroll fiscal year end of each Fiscal Year. For those employees who cannot take the days due to operational reasons that have been verified by supervisors/managers will be cashed out at the end of the payroll fiscal year.

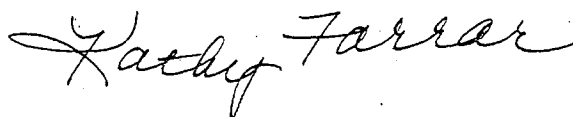
All other terms and conditions of employment established by the Memorandum of Understanding for July 1, 2006-June 30, 2009 to remain status quo for the term of this extension.

SEIU NEGOTIATING TEAM

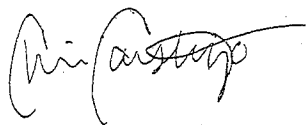


Chrystine Lawson, Business
Representative, SEIU, Local 521

CITY NEGOTIATING TEAM



Kathy Farrar
Employee Services Director



Chris Costanzo, Chair, Local 521
Code Enforcement Officer



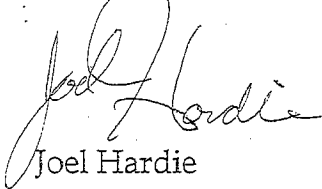
Richard Ames
Senior Building Inspector



Todd Baker
Senior Utilities Systems Technician

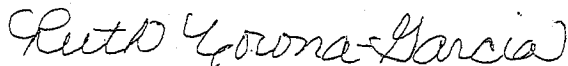


Barry Gomez
Parks Maintenance Worker II



Joel Hardie
Water Utility Worker III

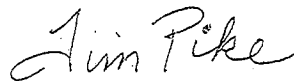
Faye Moore
Account Clerk II



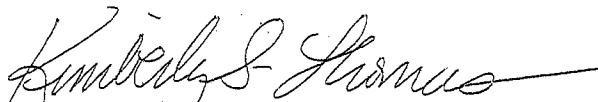
Ruth-Corona Garcia
Senior Personnel Analyst



Bruce Hurlburt
Parks and Open Space Manager



Tim Pike
Streets and Landfill Closure Manager



Kimberly Thomas
Assistant to the City Manager

DATED: June 15, 2009